

SALT LAKE CITY COUNCIL STAFF REPORT

BUDGET ANALYSIS – FISCAL YEAR 2007-08

DATE: May 4, 2007

SUBJECT: **OVERVIEW OF MAJOR BUDGET ISSUES**
MAYOR'S RECOMMENDED BUDGET

STAFF REPORT: Gary Mumford, Jennifer Bruno, Lehua Weaver, Sylvia Richards

cc: Sam Guevara, Lyn Creswell, Steve Fawcett, Gordon Hoskins,
Kay Christensen, Susi Kontgis, Gina Chamness

On May 1, 2007, Mayor Anderson presented his recommended budget for fiscal year 2007-08. Council staff has prepared this overview and will provide a more comprehensive analysis of proposed department budgets prior to each briefing. A synopsis of the proposed city-wide budget is on the last page of this overview.

1. General Fund revenue – The proposed budget contains \$196,904,861 of on-going general fund revenue and \$4,786,000 of one-time sources for a total of \$201,690,861. The one-time revenue includes \$1,866,000 of the increase in building permit fee revenue since this level of revenue is not anticipated to be long term. (See **Appendix A** for a summary of general fund revenue.) Of the projected revenue increase, \$13,678,429 relates to growth/inflation and \$1,918,000 relates to new or increased fees. (See **Appendix B** for a comparison of new growth to fee increase.) The budget maintains property taxes at the existing certified rate without a property tax increase.
2. General Fund expenditures – The proposed budget contains expenditures of \$201,690,861, which is a growth of \$14,412,563 or 7.7%. (See **Appendix C** for a summary of general fund expenditures.) Included in the proposed expenditure total is \$4,844,945 of expenditures that the Administration considers one-time needs. See **Appendix D** for a summary of one-time general fund expenditures.
 - a) The expenditures budget proposes the use of \$2,800,000 of fund balance of the general fund.
 - b) In the past, the Council has had a policy of maintaining a fund balance of at least equal to 10% of general fund revenue (See **Appendix E** for a summary of the status of fund balance.) Given the amount projected to drop to fund balance at the end of the fiscal year, and the proposed uses for fiscal year 2008, there will be approximately \$4.4 million in excess of 10% of general fund revenue (as of July 1, 2007). This does not include any proposed expenditures in Budget Amendment #4.
3. Proposed new positions – The Mayor's Recommended Budget for the General Fund proposes 29.75 new FTEs (not including the 6 FTEs authorized during this fiscal year in budget amendments. Eight of the FTEs represent conversions of grant funded positions or contract positions to general fund positions - 4 FTE YouthCity positions and 4 FTE Justice Court Clerks. (See **Appendix F** for a summary of changes in FTEs by department.

The following are descriptions of some of the proposed additional positions. (See **Appendix G** for a complete list of new positions.) **Note: Costs shown below are “fully loaded” – salary and benefits.**

- a) Additional fire fighter positions (6 FTE, \$307,500) – The Administration has indicated that over the past year there has been a significant increase in the use and cost of overtime to staff the “4-handed crews” policy. The Administration is recommending hiring 6 additional firefighters to help eliminate the need to use overtime. This would provide an additional 2 fire fighters per day. (On average the Fire Department has had to hire back 3 fire fighters per day.) The remaining Fire Fighter would be staffed with vacation buy-back (straight-time basis) if needed.
- b) YouthCity positions (4 FTE, \$150,813 increase)– The Mayor’s proposed budget includes shifting 4 YouthCity positions from Grant-funded to general fund funded (3 Program Site Coordinators and 1 Programs Manager).
- c) Unity Center staff positions (2 FTE, \$254,000) – These positions will be funded with proceeds from the New Market Tax Credits obtained for the construction of the Center. It is likely however, that by FY 2010, these positions will need to be shifted to a general fund responsibility.
- d) New Sustainability Director position (\$115,000) – The Administration is proposing an executive level position in the Department of Management Services that would oversee the Environmental Program Manager, the Sustainability Committee, and the newly-created Energy Fund for the Future (see item #5).
- e) Justice Court (4 FTEs, \$199,056) – The proposed budget includes a \$58,000 increase to shift the four temporary Justice Court Clerks to regular FTEs. The proposed budget also makes two part-time judges “regular part time.” This will likely not change their hours, but will allow for benefits and vacation time (increased cost to the City of \$15,932). The Administration is continuing its overall review of the Justice Court and may have recommendations for additional staffing changes when the review is concluded.
- f) Senior Planner for Historic Preservation (1 FTE, \$77,350) – The Administration is proposing this position to make the most efficient use of the preservation plan and historic survey information.
- g) Long Range Planner (1 FTE, \$70,950) – The Administration is recommending this position to provide additional resources to manage increasing workload. Specifically this planner will assist in efforts relating to the Northwest Quadrant Master Plan and the update of the Downtown Master Plan.
- h) Open Space Coordinator (1 FTE, \$92,950) – This person would work with the community to prepare open space applications, oversee the process involved with acquiring and managing open space, and serve as a liaison to the Open Space Advisory Board. Last year the Council approved \$30,000 in one-time funds for this position (assuming that the position would be part time, contracted), but the department was not able to fill the position.
- i) Additional parking enforcement officer (1 FTE, \$52,840) – Parking ticket revenue has dropped substantially over the past several years as parking enforcement officers have spent more time on sidewalk snow removal enforcement, residential patrol and community support (CAT teams). This position would help distribute this workload and would help to increase parking ticket revenue. The Administration is projecting \$80,157 of additional parking ticket revenue as a result of this position.

4. Capital Improvement Program on-going funding from General Fund (\$13,242,302) – The 10-year CIP plan recommends average funding from the general fund to be 7.95% of general fund revenue. The Mayor’s recommended budget contemplates funding at the level of 7% of general fund (approximately \$1,795,194 short of the recommended 7.95%). Of the \$21.1 million slated for CIP projects, \$7,753,964 is scheduled for General Obligation bond debt. Another \$6,807,122 is scheduled for other bond debt payments (this includes a payment of \$388,334 for the new sales tax bond for the Grant Tower and TRAX extension projects). This leaves \$6,550,000 for other projects (compared to \$5.14 million available for “other projects” in FY 2007). The Mayor and the CDCIP Board have reviewed all funding applications and made recommendations. The Council will receive an in depth briefing regarding the CIP funding applications later in May. (See **Appendix H** for a listing of proposed CIP funding included in the Mayor’s Recommended Budget.)

- Debt Ratio Benchmarking Data – The City reviewed data obtained from the various rating agencies in order to benchmark our debt ratio in comparison to other cities in the US. Currently Salt Lake City’s debt ratio is \$615 per capita, 0.6% of market value, and represents 8.1% of General Fund Expenditures. The following chart illustrates what credit agencies would consider low, moderate, and high ratios of debt. Salt Lake City’s current figures place in the low to moderate range.

	Benchmarks			Salt Lake City Current Ratio
	Low	Moderate	High	
Debt Per Capita	< \$1,000	\$1,000 - \$2,500	> \$2,500	\$615
Debt as a Percent of Market Value	< 3%	3 - 6%	> 6%	0.6%
Debt as a Percent of Personal Income	< 3%	3 - 6%	> 6%	3.0%
Debt Service as a Percent of General Fund Expenditures	< 5%	5 - 15%	> 15%	8.1%

- Future Debt - It should be noted that debt service payments will likely begin in Fiscal Year 2009 on the sales tax bond for the new Fleet Facility (payments anticipated to be roughly \$1.2 million per year). Council Staff estimates that this would increase the Debt Service as a Percent of General Fund Expenditures by approximately 0.6%.
5. 1% of General Fund revenue dedicated to “Energy Fund for the Future” – The Mayor is proposing to fund an initiative that would dedicate 1% of ongoing general fund revenue (\$1,881,150) to provide funding for the following uses, all geared towards promoting energy efficiency in the City in both the public and private sector:
- Alternative energy sources for City facilities (solar, wind, biomass, etc.)
 - Energy-efficiency projects in City facilities – the Administration has included some of these projects as CIP projects and recommended funding in the amount of \$709,454:

- i. Westside Senior Center - \$194,534 – replacing HVAC equipment and automate building lighting to lower operations costs (not in CIP 10-Year Plan). Project received a \$15,000 State grant.
 - ii. Plaza 349 - \$260,885 – replacing HVAC equipment and automate building lighting to lower operations costs (specific project not in CIP 10-Year Plan). Project received a \$15,000 State grant and \$259,079 in Budget Amendment #2.
 - iii. City and County Building - \$254,035 – replace HVAC equipment and automate building lighting to lower operations costs (specific project not in CIP 10-Year Plan). Project received a \$164,980 in Budget Amendment #2.
 - c) Alternative energy demonstration projects
 - d) Renewable energy purchases
 - e) Loan fund to provide matching loans to citizens and businesses looking to complete alternative energy projects. (Specifics of this program are subject to Council approval, including additional staff that may be needed to administer the program). The Administration is recommending that up to 25% of the funds be used for this purpose (\$470,287).
6. Airport and public facility parking tax – The Administration’s proposed budget includes a \$0.50 increase in the airport parking facility tax adopted last year. In addition, the Administration is proposing expanding this \$1 per-vehicle per-day parking facility tax to include all city-funded parking facilities (Library Parking Lot, Matheson Courthouse, Gallivan Center Parking). The first 30 minutes at the Airport and the Library parking lots would continue to be free. After that, there would be a \$1.00 per vehicle charge. It is estimated that this proposal would generate an additional \$1,618,000 per year.
 7. Refuse fund green waste container – A proposal to provide small sized containers for general garbage delivery is proposed in the Refuse Fund budget. Residents would be able to choose from a 30-gallon or 60-gallon size, rather than the standard 90-gallon, for a cost savings of \$4.00 or \$2.00 per can (respectively) per month. These savings could offset the cost of a voluntary green waste container. Both of these new options would be available to residents beginning in March of 2008.
 8. Utah League of Cities & Towns/National League of Cities Membership– The Mayor’s proposed budget recommends eliminating Salt Lake City’s support of these two organizations. This results in a total savings of \$119,759 (ULCT - \$108,559; NLC - \$11,200)
 9. Implementation of One-Stop Database Software – The Administration’s proposed budget includes \$1,650,000 in one-time money to fully implement an identified shared database and software program to facilitate the one-stop shop. This software will likely have a substantial annual maintenance fee, though that is not necessary during the implementation year. The City has the option of financing this cost over several years through the vendor. However, by paying upfront the City saves on interest costs. The Administration is recommending funding this in its entirety with one-time money. (*Staff note:* This is not a complete implementation of the City-Wide Interoperable GIS database – coordination of all City GIS databases. The one-stop database software is a separate system that

leverages the City's current GIS capabilities. The Council will receive future briefings about this separate proposal.)

10. TRAX Extension Project – The Administration's proposed budget includes \$600,000 for the bond-ineligible portion of the TRAX extension project.
11. Eco-Pass Program – The Mayor's proposed budget includes a \$62,000 savings in the non-departmental budget that would have been allocated for City employee UTA Eco-Passes. The City has negotiated an agreement with UTA that in exchange for the franchise fee for the TRAX extension project, UTA will provide the City with three years of eco-passes at no charge to the City. UTA had previously indicated that for FY 2008 they would have charged the City \$150,144, and would have increased that fee to \$231,421 in FY 2009, and \$270,763 in FY 2010. The franchise fee for the railroad right-of-way would have been \$300,000. The City will have a net savings according to the terms of this agreement.
12. Water rate increase – In June 2006, the Council adopted a two-year water rate increase. The proposed budget for fiscal year 2007-08 contains the second increase of 4% effective July 1, 2007. While adoption of a second-year rate increase does not bind a future Council, it makes it necessary for a future Council to take formal action to halt or change the planned rate increase. In the past when the Council has approved multi-year rate plans it has noted the value of advance planning and clearly articulating policy direction.
13. Proposed cost-of-living and step increases – The Mayor's Recommended Budget includes a citywide cost-of-living increase. Merit or step increases are also proposed for laborers (100 series), office/clerical (200 series), fire fighters, and police officers (except for those employees already at the top step). The proposed cost-of-living and step increases are still the subject of ongoing negotiations. The Administration is available to discuss labor bargaining in executive sessions. Council staff will provide more detail in a staff report later in the Council's budget review process.
14. Health insurance – The City is self-insured for employee health coverage. To maintain the current medical plan benefits, a premium increase of 10% is requested this year. The cost to the general fund is \$1,178,512. There have also been refinements made to the employee salary and benefits projection system that now enable the City to more accurately budget for health insurance costs. As a result, the Administration is requesting an adjustment to the base insurance costs for each department. The total adjustment for all general fund departments is \$1,178,236.
15. Pension premium increase – Pension costs are increasing \$698,486 for the General Fund. The increase in the retirement rates are as follows:
 - a) Firefighters increased 0.58% (from 8.72% to 9.30%);
 - b) Public Safety – remains to 36.73%;
 - c) Public Safety Noncontributory – remains at 35.71%;
 - d) Public Employees Contributory increased 0.03% (from 13.58% to 13.61%);
 - e) Public Employees Noncontributory increased 0.03% (from 11.59% to 11.62%).

16. Salt Lake City Arts Council – The proposed budget includes an increase of \$75,000 from \$243,600 to \$318,600 for art grants, public arts programs, and facility expenses. The salaries of the Arts Council employees are separately budgeted within the Department of Community Development.
17. Tracy Aviary – Currently the City budgets \$250,000 per year to assist the Aviary with on-going expenses. The Administration is proposing no increase in this support. The Council did approve \$200,000 in funding in budget amendment #2 for various capital improvements and to assist the Aviary in hiring a development director. The Mayor is also recommending \$200,000 in the CIP budget for renovation of the Wilson Pavilion (the \$100,000 cost of design was included in prior budget amendment funding).
18. Municipal Election Costs – Because of the change in the County to the electronic voting system there has been an increase of \$325,000 in election year funding to the County over the previous election year budget (\$175,000 in FY 2006). Since there is currently no County election planned this year, the City could have the option of using paper ballots. However, the City would have to rent all of the necessary ancillary machines and equipment as the County no longer has ownership of the previously-used equipment. The City would also have to hire staff to run the election and count ballots. This could prove cost-prohibitive, even given the increase in costs for an electronic election.
19. Sales tax offset from downtown mall reconstruction – The Administration's proposed budget includes a one-time appropriation of fund balance in the amount of \$500,000 to offset the elimination of sales tax revenue from the downtown malls reconstruction/City Creek project. This represents a \$275,000 increase from FY 2007 (\$225,000 in FY 2007). The Administration has indicated that the increase is to represent the anticipated *full* closure of both malls in FY 2008.
20. YouthCity minibuses – This item was previously requested in FY 2006, but was not funded by the Council. The budget for the Fleet Management Internal Service Fund includes purchasing five mid-size buses for the YouthCity program for a total cost of \$210,000 (\$42,000 for each bus). This is proposed to be a one-time funding.
21. Severance benefits (\$1,262,175) – In addition to \$1,000,000 of ongoing funds appropriated in fiscal year 2006-07 to fund vacation and other leave pay outs upon retirement, the proposed budget includes one-time funds of \$262,175 relating to the upcoming mayoral change.
22. Citywide fee increases – The Mayor's Recommended Budget contains new or increased fees as follows:
 - a) airport parking lot fee increase,
 - b) public facility parking lot new fee,
 - c) water rate increase that the Council already approved in June 2006,
 - d) watershed purchase fee increase (as part of water monthly service fee),
 - e) water connection fee increase,
 - f) sewer connection fee increase,

- g) stormwater development fee increase,
- h) impact fee increase to developers
- i) refuse collection fee revisions including optional green waste container fee,
- j) recreation fees including after school and summer programs,
- k) golf course new fee for rent of premium pull cart,
- l) ground transportation operator's certificate application fee for background checks.

(See **Appendix I** for details of the proposed new or increased fees.)

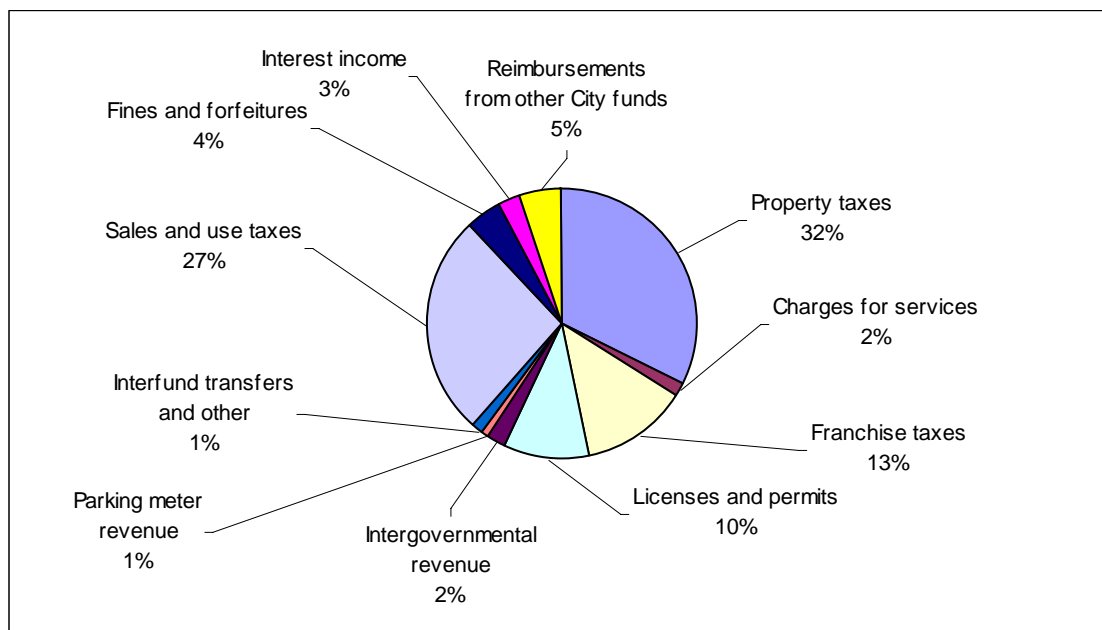
23. Synopsis of Citywide budget – The schedule on **Appendix J** summarizes the proposed citywide expenditure budget compared to the fiscal year 2007 adopted budget. The Council already held briefings on the proposed budgets for the Department of Airports, the Department of Public Utilities, the Community Development Operating Fund (CDBG), and the Grants Operating Fund (ESG, HOME, HOPWA). The Council generally doesn't hold individual briefings on all of the special revenue fund budgets. Briefings are not currently scheduled for those funds marked with an asterisk. The Council may wish to ask staff or the Administration questions regarding those funds not scheduled for a briefing. The Council could ask staff to prepare a written briefing on certain funds or schedule some of the funds marked with an asterisk for a formal briefing.

GENERAL FUND REVENUE

The table below reflects the fiscal year 2006-07 adopted budget for revenue and the projected revenue for fiscal year 2007-08.

PROPOSED GENERAL FUND REVENUE FISCAL YEAR 2007-08				
	Fiscal Year 2006-07	Fiscal Year 2007-08	Difference	Percent Change
Property taxes – certified rate	\$49,105,274	\$49,105,274	\$ -	-
Property taxes – general obligation debt	7,778,623	7,753,964	(24,659)	(0.3%)
Property tax judgment levy	188,309	-	(188,309)	-
Property taxes - vehicle, delinquent, RDA	6,703,000	6,653,000	(50,000)	(0.7%)
Sales and use taxes	41,835,500	48,500,000	6,664,500	15.9%
Energy tax – natural gas	4,602,000	4,357,326	(244,674)	(5.3%)
Franchise taxes	23,446,972	25,206,972	1,760,000	7.5%
Payment in lieu of taxes	871,836	1,025,447	153,611	17.6%
Business licenses	6,174,864	8,336,806	2,161,942	35.0%
Building permits	7,822,749	11,910,363	4,087,614	52.3%
Fines and forfeitures	8,962,400	8,694,657	(267,743)	(3.0%)
Intergovernmental revenue	4,761,375	4,757,678	(3,697)	(0.1%)
Charges for services	3,047,163	3,024,798	(22,365)	(0.7%)
Parking meter revenue	1,486,600	1,464,000	(22,600)	(1.5%)
Interest income	4,393,000	5,300,000	907,000	20.6%
Reimbursements from other City funds	9,528,488	9,950,440	421,952	4.4%
Miscellaneous revenue	808,964	800,150	(8,814)	(1.1%)
Interfund transfers	1,622,300	1,929,986	307,686	19.0%
Fund balance & one-time transfers in	4,138,881	2,920,000	(1,218,881)	(29.4%)
Total General Fund Revenue	\$187,278,298	\$201,690,861	\$14,412,563	7.7%

Projected General Fund Revenue
Fiscal year 2007-08



CHANGES IN GENERAL FUND REVENUE

The proposed budget contains \$13,671,000 of forecasted revenue relating to growth or inflation. You can see from the table below, this growth is primarily from sales tax, franchise tax, and building permit fees. The proposed budget also contains \$1,925,500 of new fee revenue primarily from airport and public facility parking fees.

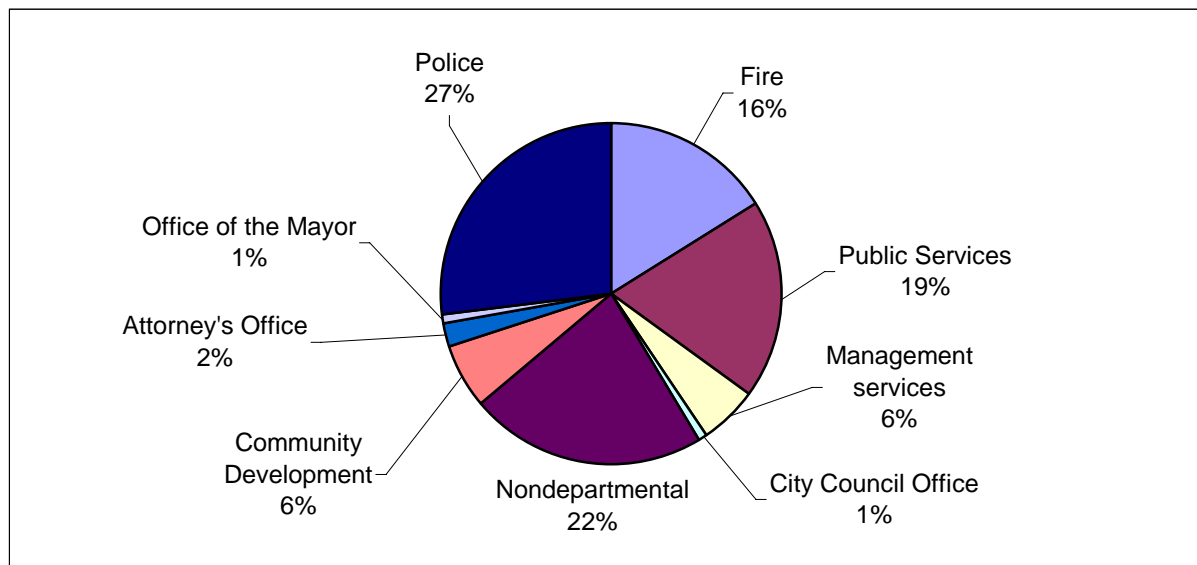
Mayor's Proposed Revenue Budget Changes New Growth compared to Increases in Taxes or Fees General Fund		
	Relating to Growth/Inflation	Relating to Increases in Taxes & Fees
Taxes		
Property taxes – general obligation bond	\$ (24,659)	
Property taxes – motor vehicle fees	(250,000)	
Property taxes – delinquent	11,691	
Sales taxes	6,664,500	
Municipal energy taxes	(244,674)	
Franchise taxes	1,760,000	
Payment in lieu of taxation from enterprise funds	153,611	
Licenses and Permits		
Licenses	143,942	
Airport parking tax	100,000	\$ 919,000
Public facility parking tax		699,000
Ground transportation operator's certificate fee		300,000
Building permits – growth (Note: The budget considers \$1,866,000 of permit fees to be one-time revenue.)	4,087,614	
Intergovernmental		
Grants	(8,127)	
Charges and Fees for Services		
Cemetery fees	(46,605)	
Public safety fees	147,400	
Street and public improvement fees	21,900	
Youth and recreation fees (actual revenue may be greater)	7,500	
Rental and concession fees	(72,072)	
Parking meters	(22,600)	
Fines and forfeitures	(267,743)	
Interest Income	907,000	
Administrative fees – charges to other funds		
Airport police reimbursement	23,000	
Airport fire reimbursement	203,000	
Administrative fees	101,003	
Additional airport fees for new attorney	110,000	
Reimbursement labor and utilities	(15,111)	
Miscellaneous Revenue	(84,812)	
Interfund Transfers		
E911	46,000	
Unity Center Trust Fund	253,986	
Transfers from other funds	(27,315)	
Total	\$13,678,429	\$1,918,000

GENERAL FUND EXPENDITURES

The following table summarizes proposed expenditure budgets for the General Fund.

PROPOSED GENERAL FUND EXPENDITURES FISCAL YEAR 2007-08				
	Fiscal Year 2006-07	Fiscal Year 2007-08	Difference	Percent Change
Attorney's Office	\$ 3,909,521	\$ 4,327,326	\$ 417,805	10.7%
Community Development	9,308,760	12,364,451	3,055,691	32.8%
Fire	30,549,938	32,707,103	2,157,165	7.1%
Management Services	10,301,656	11,104,017	802,361	7.8%
Police	50,669,719	54,442,865	3,773,146	7.4%
Public Services	36,578,795	38,068,769	1,489,974	4.1%
Office of the Mayor	1,633,638	1,758,654	125,016	7.7%
City Council Office	1,595,941	1,716,839	120,898	7.6%
Non-Departmental	42,730,330	45,200,837	2,470,507	5.8%
Total General Fund Expenditures	\$187,278,298	\$201,690,861	\$14,412,563	7.7%

Proposed General Fund Expenditures
Fiscal year 2007-08



PROPOSED ONE-TIME GENERAL FUND EXPENDITURES

The proposed budget includes several items that the Administration considers as one-time expenditures. The Mayor proposes to fund these expenditures from: (1) \$1,866,000 of building permit revenue, (2) \$120,000 from a transfer of accumulated subrogation funds in the Insurance & Risk Management Fund, (3) \$2,300,000 from fund balance, and (4) \$58,945 from on-going revenue.

Community Development

- \$1,650,000 – One-Stop Shop shared database and software program
- \$ 50,000 – Plan review outsourcing
- \$ 13,850 – Printer/copier for One-Stop Shop
- \$ 257,000 – University Historic District intensive level survey
- \$ 168,250 – Northwest Quadrant master plan
- \$ 14,000 – Preservation plan printing
- \$ 17,000 – Communities master plan printing
- \$ 10,000 – Downtown master plan update printing
- \$ 6,600 – Avenues Historic District survey phase II
- \$ 12,000 – Emergency radios
- \$ 3,800 – Arts Council equipment
- \$ 8,800 – Software licensing

Fire

- \$ 170,000 – new apparatus equipment
- \$ 92,000 – AEDs and defibrillator monitor units
- \$ 65,000 – SCBA bottle replacement and upgrades
- \$ 23,000 – Training tower maintenance and repair
- \$ 16,000 – Protective gear - pants
- \$ 12,000 – Emergency supplies in fire stations
- \$ 10,000 – Special technical rescue equipment replacement
- \$ 10,000 – Radio equipment

Management Services

- \$ 15,000 – Phones, radios and supplies for emergency operations center

Police

- \$ 140,000 – Officer personal protection equipment
- \$ 35,000 – Public information for new public safety facilities
- \$ 30,240 – Complete taser availability for all sworn line positions
- \$ 51,000 – Sworn officer physical fitness program

Public Services

- \$ 60,000 – Paver repairs
- \$ 10,000 – Tools & equipment for new signal tech position
- \$ 18,430 – Unity Center equipment

Nondepartmental

- \$ 500,000 – Election expense
- \$ 600,000 – Trax 200 South station (non-bondable portion)
- \$ 203,000 – Downtown Economic District overrun correction
- \$ 262,175 – Severance contingency
- \$ 74,000 – Lift truck for new signal tech position
- \$ 210,000 – YouthCity minibuses
- \$ 26,800 – Vehicle for ground transportation office

ESTIMATED STATUS OF FUND BALANCE

Fund Balance General Fund	
Fund balance – June 30, 2006	\$28,761,202
Less use of last year's lapsed appropriations for one-time costs in fiscal year 2006-07	(3,983,866)
Less appropriation of fund balance by budget amendment	(2,640,030)
Less pending items:	
Purchase of open space – NSL	(1,750,000)
Ground transportation office set up	(32,000)
Pioneer Park	(300,000)
Less proposed use of fund balance in budget amendment #4	?
Less proposed use of fund balance in Mayor's Recommended Budget for fiscal year 2007-08	(2,800,000)
Plus forecasted excess revenue in fiscal year 2006-07	7,000,000
Estimated Fund balance – June 30, 2007 (12.2% of proposed general fund revenue of \$198,770,861)	\$24,255,000
Minimum amount per Council policy (10% of general fund revenue)	19,877,000
Amount in excess of Council's 10% policy	\$ 4,378,000

CHANGES PROPOSED IN FULL-TIME EQUIVALENT POSITIONS (General Fund)

The proposed budget includes an additional 29.75 full-time equivalent (FTE) employee positions. One software engineer is proposed to be transferred from the Department of Community Development to the Information Management Services Fund, and one data information specialist is proposed to be transferred from the Fire Department to the Information Management Services Fund. This results in a proposed net increase of 27.75 FTEs.

PROPOSED CHANGES IN FULL-TIME EQUIVALENT POSITIONS GENERAL FUND FISCAL YEAR 2007-08				
	Amended Fiscal Year 2006-07	Fiscal Year 2007-08	Proposed Increase	Percent Change
Attorney's Office	46.50	47.50	1.0	2.2%
Community Development	131.00	137.00	6.0	4.6%
Fire	362.00	367.00	5.0	1.4%
Management Services	117.66	124.16	6.5	5.5%
Police	585.00	585.00		
Public Services	316.09	325.34	9.25	2.9%
Office of the Mayor (including mayor)	18.00	18.00		
City Council Office (including council)	19.60	19.60		
Total General Fund FTEs	1595.85	1623.60	27.75	1.7%

ADDITIONAL GENERAL FUND POSITIONS

The proposed budget contains 29.75 new FTE positions in the general fund. This does not include 6 FTEs approved during the year by budget amendment. Two computer technicians are also proposed to be transferred from the general fund to the Information Management Services Fund. Two minor adjustments/corrections totaling 0.20 FTEs are also included in the proposed budget for a total change of 33.95 FTEs from fiscal year 2006-07 to the proposed budget for fiscal year 2007-08. Council staff will provide more information regarding the following proposed new employee positions in separate staff reports for each department.

City Attorney's Office

1.00 FTE – Attorney (airport)

Community Development

1.00 FTE – Financial Manager
2.00 FTEs – Ground Transportation – Office Tech/Cashier
1.00 FTE – Ground Transportation – Police Specialist (retired officers)
1.00 FTE – Senior Planner – Historic Preservation
1.00 FTE – Principal Planner – Long Range
1.00 FTE – Building Inspector II – Boarding

Fire

6.00 FTE – Firefighters (6 positions) – to reduce overtime relating to four-handed staffing

Management Services

1.00 FTE – Sustainability Director
0.50 FTE – Human Resource Clerk – regular part-time position converted from part-time
4.00 FTEs – Justice Court Clerks – converted from temporary positions
1.00 FTE – Justice Court Temporary Judges – converted from hourly to RPT with benefits

Public Services

1.00 FTE – Parking Enforcement Officer – offset with additional revenue
1.00 FTE – Signal Technician
3.00 FTE – YouthCity site coordinators – converted from grant funded
1.00 FTE – YouthCity deputy - converted from grant funded
1.00 FTE – Building Maintenance Worker
0.25 FTE – Work Order Manager – converted from part-time to full-time
1.00 FTE – Open Space Lands Coordinator
1.00 FTE – Unity Center operational staff

Appendix H

PROPOSED CAPITAL IMPROVEMENT PROGRAM (CIP) FUNDING - FY 2007-08

Capital Improvement Program – General Fund / Class C / Impact fees					
	Council District	Ten-year plan?	Pay as you go	Class C Road Funds	Impact Fee Eligible
Debt payments – General obligation (separate tax)		Y	\$ 7,753,964		
Debt payments - Other bonded debt		Y	6,807,122		
Pioneer Park plan – design & engineering plan	4	N	50,000		
Jordan River Trail Safety Lighting - construction	1	Y	289,000		
Westminster Park ADA playground	7	Y	250,000		
4 th Avenue Stairway – analysis & design	3	Y	60,000		
ADA improvements at various parks	4 & 6	Y	200,000		
Jordan River Trailway improvements - match	1	Y	375,000		
Traffic Signal upgrades	4 & 6	Y	400,000		
Bicycle & pedestrian paths/routes	Citywide	Y	50,000		
ADA ramps/corner repairs	Citywide	Y	350,000		
California Ave - construction	2	Y	803,500		
Sidewalk replacement SID	5 & 7	Y	550,000		
Sidewalk inventory	Citywide	N	60,000		
Liberty Park improvements – construction	5	Y	600,000		
Fairmont Skate Park Lighting	7	N	62,000		
Sidewalk Rehabilitation/Concrete Sawing	Citywide	Y	100,000		
Tree Replacement - Parks	Citywide	Y	50,000		
Tracy Aviary Building Renovation – seed funding	5	N	200,000		
Residential Concrete Street Rehabilitation - design	2 & 6	Y	50,000		
Pedestrian Safety Devices	Citywide	Y	50,000		
Jordan Park Power Pedestals	2	Y	50,000		
Median Island Reconstruction – 500 S 500 W	4	N	44,000		
Morton Park Improvements	1	N	90,000		
Local Street Reconstruction	6	Y	967,046		
Westside Senior Citizen's Center Energy Conservation	2	N	194,534		
Plaza 349 Energy Conservation	4	N	260,885		
City & County Building Energy Conservation	4	N	254,035		
Percent for Art		Y	60,000		
Cost overrun fund		n.a.	80,000		
Asphalt Street Overlay	Citywide	Y		\$1,500,000	
500 East Rehabilitation	5	Y		622,100	
900 East Rehabilitation	5 & 7	Y		214,400	
Concrete Street Rehabilitation	2	Y		200,000	
900 South Rehabilitation - design	4 & 5	Y		67,000	
California Avenue Construction SID	2	Y		296,500	\$1,870,000
Fire Station 15 – purchase property SW quadrant	1	Y			750,000
Total			\$21,111,086	\$2,900,000	\$2,620,000

SUMMARY OF PROPOSED FEE INCREASES

Proposed Fee Increases	
Description	Change in fee
Airport parking lot license fee	Increase from 50 cents per day to \$1.00 per car per day.
Public facility parking lot license fee	New fee of \$1.00 per car per day
Water	4% rate increase; monthly service fee increase of 50 cents for watershed purchases
Water connection fee	9% increase from \$1,716 to \$1,871 for 3/4 and 5/8 residential meter; similar 9% increases for commercial and other large meter connections
Sewer connection fee	9% increase from \$500 to \$545
Stormwater fee	Increase from \$300 to \$700 for each ¼ acre on new development
Impact fees	Residential from \$1,300 to \$1,468 Retail from \$6.94 to \$7.86 per sq ft Office from \$3.38 to \$3.81 per sq ft Industrial from \$1.61 to \$1.81 sq ft
Refuse collection optional green waste container	\$3.50 per month for optional 90 gallon green waste container
Refuse collection	50 cent monthly increase from \$10.75 to \$11.25 for 90 gallon container; new fees for optional 60 gallon (\$9.25) and 30 gallon (\$7.25)
Recreation - after school program	Increase from \$100 to \$200 per month; participants with reduced lunch status from \$50 to \$75; participants with free lunch status from \$25 to \$35
Recreation – summer program	Increase from \$40 to \$50 per week; participants with reduced lunch status from \$20 to \$25; participants with free lunch status from \$10 to \$12
Recreation - boxing	Youth: from \$10 to \$15/3 months; Adult: \$40/3 months
Recreation – fitness center	Adult: from \$30 to \$40/3 months; Youth: \$15/3 months (new fee)
Golf Course premium pull cart (new pull cart option & fee)	\$3.50 for 9 holes; \$7 for 18 holes (regular pull cart fees remain at \$2 for 9 holes and \$4 for 18 holes)
Ground transportation operator's certificate	\$100 annual

SYNOPSIS OF PROPOSED CITYWIDE BUDGET

MAYOR'S RECOMMENDED BUDGET SYNOPSIS OF PROPOSED EXPENDITURE BUDGETS				
	Adopted 2006-07	Proposed 2007-08	Difference	Percent Change
General Fund				
Police	\$50,669,719	\$54,442,865	\$3,773,146	7.4%
Public Services	36,578,795	38,068,769	1,489,974	4.1%
Fire	30,549,938	32,707,103	2,157,165	7.1%
Management Services	10,301,656	11,104,017	802,361	7.8%
Community Development	9,308,760	12,364,451	3,055,691	32.8%
Attorney's Office	3,909,521	4,327,326	417,805	10.7%
Mayor's Office	1,633,638	1,758,654	125,016	7.7%
Council Office	1,595,941	1,716,839	120,898	7.6%
Nondepartmental	42,730,330	45,200,837	2,470,507	5.8%
Total General Fund	187,278,298	201,690,861	14,412,563	7.7%
Enterprise Funds				
Department of Airports	181,564,579	203,570,100	22,005,521	12.1%
Water	51,378,407	64,410,179	13,031,772	25.4%
Sewer	24,056,639	23,494,914	(561,725)	(2.3%)
Stormwater	8,533,648	10,137,466	1,603,818	18.8%
Refuse Collection	8,869,022	11,522,422	2,653,400	29.9%
Golf	8,575,415	8,722,899	147,484	1.7%
Intermodal Hub	4,900,000	800,000	(4,100,000)	(83.7%)
Total Enterprise Funds	287,877,710	322,657,980	34,780,270	12.1%
Internal Service Funds				
Insurance & Risk Management	32,017,477	31,700,008	(317,469)	(1.0%)
Fleet Management	17,244,619	19,004,589	1,759,970	10.2%
Information Management Services	7,967,424	8,733,265	765,841	9.6%
Governmental Immunity	1,182,200	1,182,200		
Total Internal Service Funds	58,411,720	60,620,062	2,208,342	3.8%
Capital Improvement Program	27,858,709	38,030,342	10,171,633	36.5%
Debt Service Funds				
Debt Service – CIP*	17,437,570	17,976,118	538,548	3.1%
Debt Service – SID*	393,594	493,083	99,489	25.3%
Total Debt Service Funds	17,831,164	18,469,201	638,037	3.6%
Special Revenue Funds				
Community Development (CDBG)	2,971,961	2,739,504	(232,457)	(7.8%)
Grants Operating (ESG, HOME, HOPWA)	4,721,609	5,630,418	908,809	19.2%
Street Lighting*	1,896,923	1,932,704	35,781	1.9%
Emergency 911*	2,056,600	1,948,000	(108,600)	(5.3%)
Housing Loan Fund*	6,608,367	7,205,693	597,326	9.0%
Downtown Economic Development * (Downtown Alliance)	700,000	794,111	94,111	13.4%
Demolition & Weed Abatement*	26,500	26,500		
Donation Fund*	50,000	100,000	50,000	100.0%
Total Special Revenue Funds	19,031,960	20,376,930	1,344,970	7.1%
TOTAL	\$598,289,561	\$661,845,376	\$63,555,815	10.6%

*Individual budget briefings are not generally scheduled for the proposed budgets marked with an asterisk. The Council may wish to indicate if a briefing is desired this year.